

September 16, 2013

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW  
Room TW-B204  
Washington, DC 20554

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Dear Secretary:

This letter is in regard to WC Docket No., 13-184, Modernizing the E-rate Program for Schools and Libraries.

The Clark County School District (CCSD) would like to thank the Federal Communications Commission (FCC) for allowing the public to respond to the Notice of Proposed Rulemaking.

The CCSD encompasses all of Clark County Nevada, which covers 7,910 square miles. CCSD is the fifth largest school district in the nation, serving approximately 314,000 students. The District operates over 350 schools, which include urban, suburban and rural schools. This composition makes CCSD unique with regard to E-rate funding.

While many of the proposed changes may impact the CCSD, it is important to note the following areas are of most concern:

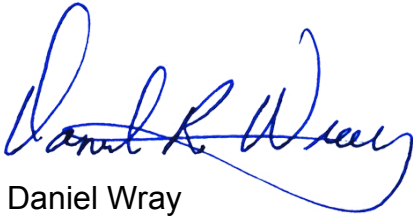
- Telephony services are critical to the CCSD and any reduction in e-rate eligibility for these services would have a significant negative effect on our schools. The CCSD recommends keeping telephony services for parent-teacher communication and safety in the classroom.
- The SETDA bandwidth goals are reasonable. The five-year timeline for full implementation is aggressive. The goals for the 2014-2015 school year are barely within reach and will require infrastructure upgrades. The 2017-2018 goals are out of reach without significant expenditures (up to \$100 million for switches and routers for our nearly 400 schools, at current prices and available technologies). Resources (i.e., people, money, time) are essential to fully implementing these goals. The CCSD recommends extending the timeline or providing increased funding in order to implement these goals.
- It is also recommended that specific implementation details be left to the district with the reporting of basic or high-level metrics showing progress toward the goals. The CCSD is asking that consideration be given to Service Provider Limitations (due to geography, distance, etc.).

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Additional comments are outlined in the attachment titled Comments for Modernizing the E-rate Program.

Thank you for allowing the Clark County School District to respond. Please contact me directly with further questions or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read "Daniel R. Wray". The signature is fluid and cursive, with a large initial "D" and "W".

Daniel Wray  
Executive Director  
Clark County School District  
4212 Eucalyptus Avenue  
Las Vegas, Nevada 89121

DW/jlf  
Attachment

Clark County School District  
Comments for Modernizing the E-rate Program

The following Clark County School District comments are in regard to WC Docket No., 13-184, Modernizing the E-rate Program for Schools and Libraries. Responses are aligned to the Federal Communications Commission's (FCC) Notice of Proposed Rulemaking.

*19. We also seek comment on whether we should adopt specific goals for other communications services, including voice services. If so, what should those goals be and how can we best harmonize those goals with our proposed goal of ensuring schools and libraries have access to 21<sup>st</sup> Century broadband that supports digital learning?*

CCSD Comments: The FCC should adopt the goal to ensure a telephone in every classroom. Classroom telephones enhance teacher-parent communication and enhance safety in the classroom. In the CCSD's 2012 districtwide staff survey, 93.6% of staff agrees that telephone services enhance parent communication, while 94.1% of staff agrees that telephones enhance security.

*21. One of the primary measures of progress towards meeting this goal would be benchmarking the performance of schools' and libraries' broadband connections against specific speed targets. We also seek comment on other measures of the availability and affordability of high-capacity broadband to schools and the educational impact of high-capacity broadband in the classroom. We seek comment on whether these are the areas on which we should focus in measuring progress towards this goal. We also seek comment on how other network performance measurement efforts, including the Commission's own Measuring Broadband America Program, should inform our consideration of how to measure network performance. Commenters are encouraged to propose any additional or alternative measures.*

CCSD Comments: Alternative measures could be 1) percentage of classrooms connected to the Internet or 2) percentage of students meeting the 1Mb/s bandwidth through the WAN.

*23. We seek comment on adopting the SETDA target of ensuring that schools have 100 Mbps per 1,000 users increasing to 1 Gbps per 1,000 users SETDA also recommends that a school within a district have Wide Area Network (WAN) connectivity to other schools within their district of at least 10 Gbps per 1,000 students and staff by 2017-2018. We also seek comment on adopting that target for WAN connectivity.*

CCSD Comments: The SETDA goals are reasonable. The five-year timeline for full implementation is aggressive. Meeting these goals is a function of available resources (i.e., people, money, and time). In our most rural areas talent is scarce and adequate infrastructure does not exist; therefore acquisition of these resources is done at a much higher cost than in urban areas.

*24. More specifically, we seek comment on whether the SETDA targets are appropriate for all schools, or whether we should set some other minimum levels of broadband speed necessary to*

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*meet our proposed goal, and what those levels should be. How much capacity do schools currently use? How are schools' bandwidth needs changing, particularly in those schools that have one-to-one device initiatives? We also seek comment on what our goals should be for schools or school districts with less than 1,000 students and staff if we do adopt the SETDA targets. Will schools with 500 students need 500 Mbps Internet capacity, and how much WAN connectivity will they need? How about schools with 100 students? We also seek comment on the timing of reaching these proposed bandwidth targets for schools. What percent of schools currently have 100 Mbps per 1,000 users? What percent of schools currently have 1 Gbps per 1,000 users? How quickly are schools already moving towards these targets? What percent of schools currently have fiber connectivity to the school? How much would it cost to reach these targets? What are the challenges for schools and the E-rate program in meeting these targets?*

CCSD Comments: The SETDA goals provide a working metric, which can be adjusted to most schools' needs. Currently, most CCSD urban schools meet the 100 Mbps per 1,000 students for WAN connectivity; however, CCSD does not meet this target for Internet bandwidth. CCSD has been working similar WAN bandwidth goals for the past 10 years. For Internet bandwidth, the plan is for the 2014-2015 school year to have 100% of students with 100 Mbps per 1,000 students in accordance with the SETDA recommendations. In order to reach the 1 Gbps per 1,000 students for both WAN and Internet, a significant increase in funding will be needed to pay for infrastructure and provider services. 90% of CCSD schools are fiber connected. All urban schools have fiber connectivity, while our rural schools do not. The issue is high-speed (gigabit and multi-gigabit) connectivity. We recommend measuring the service not the type. In order to reach these targets, we would need to replace most of our current network equipment. It is estimated that this could cost up to \$100 million for the required switches and routers at current prices and using current technologies.

*27. As part of the ConnectED initiative, President Obama also called for high-capacity connectivity within schools, and others, including the bi-partisan LEAD Commission, have echoed that proposal. We seek comment on adopting specific bandwidth targets for wireless connectivity within schools, similar to our targets for Internet and WAN bandwidth. Specifically, we seek comment on whether all schools should have internal wireless networks capable of supporting one-to-one device initiatives, and whether libraries should have comparable wireless connectivity. We seek comment on more quantitatively defining these standards. Should we define connectivity in Mbps of wireless capacity available per-student in classrooms, school libraries, and other areas of schools? Should these match the Internet or WAN connectivity recommendations of SETDA? For example, building off SETDA's 2017 recommendation of 100 Mbps Internet connectivity per 1000 students, should we aim for 1 Mbps of wireless capacity per 10 students in classrooms and other learning spaces? What would this standard generally require to implement? We seek comment on this proposal and on alternative bandwidth targets.*

CCSD Comments: First priority should be for general connectivity. Establish levels and incremental targets to reach this goal. We should define connectivity in Mbps of wireless

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capacity available per student. It should be scaled to ultimately meet the SETDA requirements to eliminate confusion and conflicting priorities. At the student level, you should be looking at the WAN connectivity, not the Internet connectivity. 1Mbps per 10 students is reasonable. This equates to 100 Mb/s of wired connectivity to the classroom with an added wireless access point. Classroom and teacher support including professional development, educational software, and other media is essential for proper use of this added bandwidth. It is recommended that a scaled approach be used with intermediate milestones and priorities.

*28. Many of the applications that enable digital learning require not just high-capacity connections, but also high-quality connections that have associated latency, jitter and packet loss requirements. For example, online viewing of a real-time science lecture and demonstration requires low latency (transmission delay), low jitter (variability in the timing of packets' arrival), and low packet loss. Should we adopt latency, jitter and packet loss performance requirements tailored to the specific uses of broadband connectivity by schools and libraries to ensure successful learning experiences? If so, what such requirements should be? We also seek comment on how best to update network performance requirements as technology and network uses evolve.*

CCSD Comments: The FCC should specify the level of service, while implementation details should remain within the realm of the school districts.

*31. We seek comment on additional ways to update the FCC Form 471 to provide information necessary to monitor and measure our proposed goal. Should we require that E-rate applicants provide specific information about the bandwidth or speed for which they seek funding? Should we make that information publicly available? Should there be specific, required mechanisms for making the information public? For example, should we require such information be published on data.gov?*

CCSD Comments: Transparency is good, but it can set false expectations. Information needs to be clearly articulated. It is important to have detailed information toward reaching the E-Rate goals, particularly if this factors into prioritization. The information should be gathered via a separate survey.

*33. We seek comment on whether there are other methods we should consider adopting for measuring broadband performance, including not only bandwidth available but actual usage as well. We also seek comment on how measuring actual usage would take into account the different possible reasons for level of usage. For example, how would such a measurement account for schools that use broadband connections less because the speeds available are too slow for use of educational software or other reasons? In addition, how do we account for levels of usage that vary based on the availability of teacher technology training? In addition to collecting information on the FCC Form 471, should we conduct an annual or biennial survey to assess the broadband capability of schools and libraries? If so, should it be modeled on the*

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*survey of E-rate recipients that the Commission conducted in 2010?*

CCSD Comments: A survey could be used to assess the broadband capability and utilization. Teacher training and other resources are critical for successful implementation.

*34. In the alternative, should we require some or all E-rate applicants to have dedicated equipment measuring performance to and within each of their buildings? If so, what would be the cost of such a requirement and what would be the benefits? Should we require applicants to pay for such equipment or provide E-rate support for such equipment and the related information collection? Should we make the collected information available to the public? We ask for recommendations on performance measurement systems that are low cost and of minimal burden; easy to implement; low-impact; that will produce uniform results and test a full range of performance metrics; and that include a proven design and are generally accepted as valid testing.*

CCSD Comments: While standardized measurements would be helpful, requirements for specific equipment become costly and burdensome for large districts.

*35. Are there other less burdensome methods that would still ensure we are able to examine and employ useful information in lieu of requiring all applicants to employ equipment to test broadband? For example, could we test a sample of schools? Are most schools and libraries or their service providers already measuring the speed of their broadband connections? Are there cost-efficient ways of collecting that information from schools and libraries? Several years ago, the Commission created the Measuring Broadband America Program to measure residential broadband performance. Should we adopt a national performance measurement system for schools and libraries similar to our Measuring Broadband America Program? If so, how could we accommodate measuring not only average or peak performance but also actual usage? We recognize that some third parties are already attempting to collect some such information. For example, Education Superhighway is encouraging schools to participate in its national School Speed Test program. Are there ways the Commission can use the information collected by Education Superhighway or other third-party groups to measure progress towards this goal?*

CCSD Comments: A survey instrument is the least burdensome method to acquire this information. The FCC could test a sample of schools, as long as this could be done using a simple software based measurement tool, which should be easily distributed and executed by school staff. It is important to note that “speed” testing is complex and difficult. The National School Speed Test program is a snapshot of available bandwidth, not speed. A single user's “speed” (a.k.a. snapshot of current available bandwidth) is not a representative measure of capacity. When considering affordability, ongoing maintenance and support must be considered as well. Faster networks tend to be more complex, costing more to maintain and are harder to troubleshoot.

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*38. Similarly, to measure affordability, we could benchmark the post-discount prices paid by schools for broadband connections against some objective measure. We seek comment on this approach, and on what measures we could use. Would there be benefit to conducting an annual or biennial survey to measure school and library perceptions about affordability? If so, what questions should we ask? Alternatively, should we survey just those schools that do not adopt broadband connections meeting our performance targets to find out why they have not done so?*

CCSD Comments: The FCC could use cost per Mbps/student to benchmark post-discount prices paid by schools.

*39. We also seek comment on whether the Commission should measure compliance with its “lowest corresponding price” rule as a measure of affordability to ensure that service providers are providing schools and libraries with the lowest corresponding price for E-rate supported services that a provider charges to a similarly situated non-residential customer. The rule mandates that service providers cannot charge schools, school districts, libraries, library consortia, or consortia including any of these entities a price above the lowest corresponding price for supported services, unless the Commission, with respect to interstate services, or the state commission with respect to intrastate services, finds that the lowest corresponding price is not compensatory.*

CCSD Comments: The FCC should post prices paid by region – this may help pressure providers to lower their costs, or to at least help other schools/districts produce budgets. This is an expensive endeavor and there will be pushback from the public and other stakeholders. Seeing that one school/district is in alignment with others will help lessen the complaints.

*45. We propose to adopt, as the third goal of the E-rate program, to streamline the administration of the E-rate program. The number of applications the Administrator, USAC, receives from schools and libraries seeking E-rate support is daunting. For example, in funding year 2013, at the close of the application filing window, USAC received 46,189 applications seeking an estimated \$4.986 billion in support. In some cases applicants request more in funding commitments than they actually use, and there is no requirement or incentive for applicants to notify USAC in a timely fashion that they have received funding commitments that they will not use. Moreover, the application and disbursement processes are complicated, so that many schools and libraries now feel compelled to spend money on E-rate consultants just to navigate the E-rate processes. Thus, it is essential that we continue to improve the E-rate program procedures and continue to simplify and streamline the program’s application review and disbursement processes.*

CCSD Comments: It is suggested that there be a return deadline on funds not used to ensure that all funds are released in a given fiscal year. It is agreed that application and disbursement processes are complicated.

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*51. We are also mindful of the cost to applicants associated with participating in this program and we seek ways to reduce and measure these costs. Should we collect data regarding administrative costs E-rate applicants incur throughout the application process? If so, what are the best methods to obtain that data? Should applicants be required to disclose on an FCC form the amount of time and cost spent preparing an application? Should we instead consider a survey or sample of participants to obtain this and other information relevant to determine the financial impact including, for example, the cost of hiring an E-rate consultant?*

CCSD Comments: Providing a baseline of costs would help districts ensure that they are properly staffed and funded. This could be accomplished by having a national Cost per Mbps/student metric.

*53. Commission's E-rate forms, such as the FCC Form 471 application, Item 21, or the FCC Form 500, to collect new data, or to change the formats in which we collect data? For example, should we revise the Item 21 attachment to the FCC Form 471 to collect data more consistently from all applicants? Are there ways we can change the format of the Item 21 to collect more granular data in a way that will allow us to more easily identify what products and services applicants are purchasing and at what prices? Commenters who advocate changes in data collection should indicate which form(s) and what specific revisions we would need to make on those forms in order to ensure that we receive useful information.*

CCSD Comments: It is recommended that the FCC Form 471 be revised to enable districts to attach the supporting documents for Item 21 rather than sending documents via email or fax. This will avoid delay in the PIA review process in the event the documents are lost or misplaced, as well as allow for easy retrieval from prior years.

*66. We recognize that E-rate has historically provided support for voice services, and voice services remain essential for communications and public safety at schools and libraries. However, we also recognize that voice services may increasingly be transitioning to a low-marginal-cost application delivered over broadband platforms. We seek comment on how to approach voice services within this framework.*

CCSD Comments: Transitioning to VoIP service for voice communications is a viable technical alternative to traditional voice services, but it is not a "low-marginal-cost application", especially for larger school districts. Many schools and libraries would incur additional voice equipment and licensing costs when making the transition to VoIP. Currently, VoIP trunking and hosted services proposals cost as much or more than traditional services for the CCSD.

*67. Technological architecture. We begin by seeking general comment on the most efficient technological architectures that schools and libraries are likely to use for connectivity. Are fiber connections generally the most cost effective and future-proof way to deliver high-capacity broadband to community anchor institutions like schools and libraries? Are other technologies,*

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*such as point-to-point microwave or coaxial cable, which are widely used to provide high-capacity broadband to schools and libraries today, also efficient and cost-effective ways to provide service as bandwidth demands increase?*

CCSD Comments: It is recommended that the FCC set the broad goals for bandwidth while leaving the particular implementation details to the district. Rural schools may require alternative solutions when fiber or other common technologies are not available.

*69. How do schools generally purchase connectivity? As an all-inclusive service? Or do schools purchase long-term indefeasible rights of use (IRUs) in physical infrastructure separately from managed services? What approaches are most efficient?*

CCSD Comments: Support for fault tolerance and/or redundant services. If you are paying for a service, it must be important to the mission of the school/district and there should be some reasonable redundancy and/or fault tolerance.

*71. To further improve applicants' flexibility in finding cost effective ways to deploy high-capacity broadband, we propose to make our treatment of lit and dark fiber more consistent. The E-rate program currently supports the recurring costs of leasing lit and dark fiber as priority one services. When a school or library leases lit fiber, the modulating electronics necessary to light that fiber are included in the recurring supported cost of the service and are therefore funded as part of the priority one service. By contrast, a school or library that leases dark fiber will not receive priority one support for the modulating electronics necessary to light the dark fiber. To eliminate this disparity, we propose to provide priority one support for the modulating electronics necessary to light leased dark fiber.*

CCSD Comments: Having Priority 1 support for the modulating electronics to light leased dark fiber is desirable and will require significantly increased funding.

*72. Installation charges for lit and dark fiber are also treated somewhat differently under current rules. Currently, the E-rate program provides priority one support for the installation of lit or dark fiber up to the property line of eligible schools and libraries. It also supports all "special construction charges" for leased lit fiber, but does not support "special construction charges" for leased dark fiber beyond an entity's property line. Special construction charges include design and engineering costs, project management costs, digging trenches and laying fiber. In order to maximize the options available for schools and libraries seeking to deploy fiber to their premises, we propose to provide priority one support for special construction charges for leased dark fiber, as we do for leased lit fiber.*

CCSD Comments: We are concerned that build-out costs may take funds away from other schools/districts or supported services. Incentivize providers to amortize build-out costs into the monthly service charge.

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*74. We seek comment on the cost to deploy fiber or other technologies that would provide high-capacity broadband connectivity to schools. We also seek comment on other aspects of support for installation and construction charges. Is there a limit to the amount of funding we should provide to any one library, school or school district over a certain amount of time for construction and installation costs? Are there specific costs that we should or should not fund as part of installation and construction? Are there other approaches we should consider in dealing with high installation and construction costs? We seek comment on whether fiber deployment to schools and libraries being slowed because applicants cannot afford to pay the non-discounted portion of deployment costs. Are there any other conditions we should impose on applicants who seek prioritized support for lit or dark fiber and modulating electronics? Are there ways to cost effectively deploy fiber and minimize recurring costs to schools and libraries?*

CCSD Comments: Limit funding in proportion to the size of the district, or the overall participation in FRL.

*78. If we seek to spur fiber or other broadband deployments through dedicated funding, are there associated changes we should make in how we fund the recurring costs for telecommunications and Internet access services, which are also priority one services today? For example, should we fund broadband deployment upgrades before recurring costs, creating a further prioritization within existing priority one services? Should we consider providing a different discount rate for ongoing services than for initial fiber upgrades? Would this approach encourage schools and libraries to enter more efficient long-term service arrangements as part of new infrastructure investments?*

CCSD Comments: There is a concern that the focus on build-out may adversely impact those districts that are already built-out.

*80. We seek comment on whether there are circumstances under which it will be more cost-effective for schools and libraries to build or purchase their own WAN rather than to lease a WAN. We also seek comment on whether there might be occasions where building or purchasing their own WAN is the only way for schools and libraries to get broadband access. If so, we seek comment on whether we should lift our prohibition on schools and libraries building or purchasing their own WANs by removing section 54.518 of our rules, or amend that section of our rules to allow schools and libraries to build or purchase their own WANs under certain circumstances. If the latter, we seek comment on the criteria we should use in determining whether to provide E-rate support to schools and libraries that purchase or build their own WANs.*

CCSD Comments: Market conditions dictate whether purchasing or leasing is a better option for acquiring a WAN. The cost for building/owning a WAN infrastructure (trenching/running conduit/establishing right of ways, etc.) represents a major capital expenditure that most school districts cannot afford. Many school districts do not have the in-house capabilities to manage the construction of a school district owned WAN. Also, if a school district intends to

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own a WAN then the project is viewed as a construction project and labor rates would be governed by prevailing wage laws and/or the Davis Bacon Act. The school district would likely also be compelled to acquire the land and/or lease the right of way for conduit runs. The latter circumstances would drive up the cost of the project exponentially. Lastly, the pay back/cost avoidance cycle for owning, as opposed to leasing, minimally takes 10, or possibly even more years. It is recommended that school districts issue bids with lease and purchase options and make an informed decision (construct or lease) predicated on the results of the bid submissions.

*85. Are there other equipment or services necessary for high-capacity broadband connections that should qualify for prioritized support? For example, which of the internal connection services listed as priority two services on the current ESL are necessary for providing high-capacity broadband connectivity within schools or libraries? What services not on the ESL should we consider supporting? Should we, for example, consider providing support for caching services or for services necessary for providing network security for schools and libraries? Is there evidence that outdated networking equipment (firewalls, content filters, etc.) creates significant speed bottlenecks on school and library networks? Is adding these types of services to the list of supported services, so that schools and libraries have the funding necessary to update those services, needed to eliminate significant speed bottlenecks? Are there any services not currently receiving support that would allow more cost effective use of E-rate funds?*

CCSD Comments: Lack of funding for these items hinders technology upgrades. They will be required to support the SETDA bandwidth goals for Internet access for students. By making the following services eligible could allow more cost effective use of E-rate funds: monitoring and reporting, fault detection, security/intrusion detection, applications, and application monitoring.

*88. Recurring costs. We also seek comment on the recurring costs of high-capacity broadband services. As schools and libraries have been increasingly purchasing high-bandwidth connections, how have their recurring monthly costs changed? We anticipate that in order to meet our proposed connectivity goals, the average recurring per-megabit prices of connectivity purchased by schools will need to come down substantially. Fortunately, there is precedent for significant price reductions associated with infrastructure upgrades. For example, the Commission's Rural Health Care Pilot Program showed that bulk buying through consortia coupled with competitive bidding can reduce the prices that recipients pay for services and infrastructure.*

CCSD Comments: When services are secured through the competitive bid process the CCSD seeks bid responses with multi-year renewal options (typically one year with nine each one-year renewal options. The CCSD finds that the potential for long-term agreements drives down the cost (supplier's build out cost are amortized over several years) and lowers service provider's exposure.

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*89. How can we ensure that recurring costs come down sufficiently over time within the E-rate program to make our proposed connectivity goals achievable and sustainable? Are the program's existing matching and competitive bidding requirements sufficient safeguards, or are further steps required? For example, should we phase in maximum per-megabit prices over time that are eligible for E-rate discounts, or set program-wide per-megabit price guidelines or targets? Would such prices give schools and libraries greater leverage in soliciting bids from vendors, or simply limit the choices available to schools and libraries? What should such prices be? If we set maximum per-megabit prices, should we allow exceptions in certain circumstances? What impact would such price guidelines or targets have on schools or libraries in areas that lack competition for high-capacity broadband, such as Tribal lands? How would such prices account for differences between more and less heavily-managed services? We seek comment on other options. Below, we also seek comment on how to maximize cost-efficient purchasing. Will these approaches ensure cost-effective purchasing of recurring services?*

CCSD Comments: The USAC/SLD's/Federal requirements should defer to each schools district's applicable State statutes for conducting the bid process. The addition of rules/regulations FCC Form 470 posting requirements, etc., makes the process extremely cumbersome and much more difficult to administer. The best utilization of the FCC Form 470 would be to advertise each school district's bidding opportunities and the "posting" could furnish prospective bidders information on where to obtain bid documents. Additionally, setting a maximum per-megabit price is reasonable and would help ensure a level playing field; however, an exception process needs to be identified.

*90. Above we seek comment on modifying our rules to ensure availability of the key products and services needed for high-capacity broadband connectivity to and within schools and libraries. We now seek comment on two approaches for streamlining the remainder of the ESL to focus support on high-capacity broadband. First, we propose to phase out support for a number of specific services, including outdated services currently on the ESL, for components of voice service, and seek comment on phasing out support for services that are not used primarily for educational purposes. Second, we seek comment on more fundamentally shifting the way we direct E-rate support to focus exclusively on high-capacity broadband connectivity to and within schools. In so doing, we seek comment on whether there are additional services for which we should phase out or reduce support, including traditional telephone services. Finally, we seek comment on a number of issues that will need to be addressed whichever approach we take.*

CCSD Comments: Continued availability of support for voice services is critical for safety and teacher-parent interaction. In the CCSD's 2012 districtwide staff survey, 93.6% of staff agrees that telephone services enhance parent communication, while 94.1% of staff agrees that telephones enhance security.

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*100. We seek comment on whether we should make changes to the E-rate program to ensure that supported services are, at a minimum, used for the core purpose of educating students and serving library patrons. More specifically, we seek comment on whether we should allow a school or library to seek E-rate support for services that will be used only by school and library staff, administrators, or board members. If school and library staff use the supported services in their role as educators and information providers but the services are inaccessible to students and library patrons, does this satisfy the statutory requirement that the support be used for educational purposes in 254(h)(1)(B) and that advanced telecommunications be enhanced for all classrooms and libraries in 254(h)(2)(A)? Should E-rate funds be provided if school and library staff use such services only for administrative or other purposes not directly tied to education? If funds are provided for administrative or other purposes not directly tied to education, should they have a lower priority than funds provided for the core purpose of serving students and library patrons? Alternatively or additionally, should we stop providing E-rate support for services to non-instructional buildings, such as bus garages? If so, how should we treat non-instructional buildings, such as technology centers, that support E-rate supported services? Are there some administrative functions such as parent-teacher communication that should always be considered as primarily serving an educational purpose? Or, even if there are services that further the educational mission of the school, is it now no longer realistic to support all of these services within our budget since funding is always limited? We invite commenters to distinguish between and among E-rate supported services when responding to these questions. For example, do commenters think we should take a different approach when it comes to Internet access services as opposed to basic voice services? What changes to the E-rate program would be necessary, such as changes to our rules or required program certifications, if we were to limit E-rate funding to services directly available, at least in part, to students and patrons? Would placing limits on funding for services that are not directly available to students or patrons be too difficult to monitor or audit or raise cost-allocation challenges? Commenters should be specific in their proposals.*

CCSD Comments: Efficient management of the school directly benefits the students. For Priority 1 items, use a District aggregate percentage for qualification. For example all students benefit from Internet services provided District-wide. Building separate facilities or disaggregating non-eligible network traffic would be burdensome. Priority 2 items should be allowed on a school or group of school basis.

*101. Basic maintenance of internal connections (BMIC). We seek comment on phasing out funding for BMIC. For funding year 2011, USAC committed nearly \$125 million for BMIC. We previously sought comment on modifying our approach to funding for BMIC, and now seek to refresh the record. We recognize that maintenance in some form is necessary for broadband and other supported services to remain available to schools and libraries. However, under our current rules which fund BMIC as a priority two service, the same high-discount school districts receive more than ample funding for basic maintenance each year, while other needy schools and school districts have received no priority two support for increasingly important and necessary internal connections. Additionally, it is especially difficult for USAC to monitor*

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*compliance with rules regarding BMIC, and BMIC may therefore be more susceptible to abuse than other funded services. We therefore seek comment on whether to amend section 54.502 of our rules by deleting subsection (a)(2) and removing all other references to basic maintenance services. We also seek comment on whether there are other provisions of our rules that need to be amended if we phase out support for BMIC.*

CCSD Comments: Basic maintenance should continue to be funded.

*104. SECA's recent proposal to streamline priority two services is one example of such an approach. SECA recommends that the priority two ESL be "redefined to focus on ensuring that the transmission of bandwidth inside the building is sufficient, and all other functionality should no longer be eligible for support." It therefore suggests that priority two eligible services should be limited to routers, up to one per building; wireless access points, up to one per classroom for schools; and internal cabling, up to three cabling drops per classroom for schools. We seek comment on SECA's proposal, as well as on variations and alternatives.*

CCSD Comments: The FCC should set broad goals but leave the details to the district. Every school building is unique requiring an individual design.

*105. We also seek comment on phasing out services that are used only for voice communications. At the inception of the E-rate program, one of the primary ways to access the Internet was through voice telephone lines that delivered dial-up service via a 56 kbps modem. Today, widespread deployment of faster-speed technology has permitted schools and libraries to have access to high-capacity broadband connections that permit many types of digital learning technologies. We ask whether focusing on the transport of broadband and transitioning away from voice services would better serve the proposed priorities of the program.*

CCSD Comments: It is recommended that the FCC specify goals and service levels and leave the implementation details to the district. The goal should be a telephone in every classroom.

*111. In the paragraphs above, we have proposed or sought comment on proposing phasing out funding for several types of services. If we decide to phase out support for these services, should we begin immediately for funding year 2014? Or should we instead phase down such support over a longer period of time to provide more time for applicants? If so, what period of time would be appropriate? Are there some services we should stop supporting immediately, and others we should phase out incrementally over time?*

CCSD Comments: If eliminated, a three-year (minimum) phase-down strategy is essential. This enables the district to plan for and implement alternate strategies.

*126. We seek comment on requiring all schools within a school district to submit applications*

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*by school district, rather than by individual school or groups of schools within the same discount, and to use the average discount rate for the entire school district rather than the weighted average for each school building. We also seek comment on whether all libraries located within a school district should use the school district's discount rate when calculating their discount rate.*

CCSD Comments: It is recommended that applications based on groups of schools continue to be accepted. Requiring a district-wide application would mean that schools and groups of schools that would have otherwise qualified, will no longer be eligible.

*138. Having considered the record on that proposal, we now seek comment on whether we should consider a higher and more flexible per-student limit, per-building limit or alternative forms of limits or budget on an applicant's E-rate funding. If we adopt a per-student limit or other form of limit for some or all services, we seek comment on where we might set the limit. Should any limits we adopt include adjustments to reflect the higher costs faced by applicants in more expensive-to-serve locations, such as Tribal lands? Should any such adjustment be based on observed current costs, some relatively simple and reliable proxies for costs, or some other measure? Should limits be set relatively high, so as to serve as a check on excessive funding requests and help prevent a few applicants from securing so much funding that other disadvantaged applicants are crowded out, while leaving most applicants unaffected? Alternatively, should limits be set lower to more aggressively spread funding annually to disadvantaged applicants that have rarely, if ever, received funding for internal connections?*

CCSD Comments: Rural and remote sites may need more flexibility. A per school model, instead of a per-student model may be more appropriate in this case.

*159. One of the proposed goals is streamlining the administration of the E-rate program. We seek comment on whether adopting the simplified-allocation approach would further that goal or hinder it. For example, could we consider eliminating all or portions of our competitive bidding rules, and if so which ones? Under this approach, would schools and libraries' incentives to watch over their E-rate funds increase sufficiently to allow us to eliminate the 28-day waiting period? Should we eliminate the price as the primary factor requirement for competitive bidding? If we eliminate some or all of our competitive bidding requirements, should we continue to require applicants to conduct fair and open competitive bidding processes? How should we and USAC determine whether applicants' processes have been conducted in an open and fair competitive manner? How can we best protect against waste, fraud and abuse under the simplified-allocation approach?*

CCSD Comments: Please consider eliminating all portions of the Federal bidding requirements. Each State has a myriad of statutes governing the expenditure of public monies (regardless of the source) that must be observed. Additionally, most districts also have internal regulations/policies for conducting the process, which in many instances are more exacting/stringent than State law. The Federal government/SLD can audit bid records: and in

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the case of poor practices/non-compliance with State laws they can fine the offending school district and/or withhold future subsidies. Also school districts' procurement activities are subject to several levels of audits (regardless of the funding source). Examples include, but are not limited to, internal audits, State audits, and random audits conducted by financial institutions commissioned for various purposes.

Price of course should be a consideration; however, acquisition cost only speaks to a small portion of the total cost of ownership. Placing more emphasis on price typically result in purchasing a more expensive solution.

Competitive bidding is the cornerstone for transparency in expending taxpayer monies. It is incumbent for all public agencies to be a good steward of the public's monies, which cannot be accomplished without competitive bidding conducted in a fair and equitable manner. Equally, the public should be afforded equal opportunity to compete for business.

*180. At the same time, in funding year 2011, consortium purchasing accounted for only about \$300 million of E-rate funds committed by USAC, or about 13 percent of all E-rate funds disbursed. In the recent Healthcare Connect Fund Order the Commission found that bulk purchasing by consortia helped drive down service rates, increase bandwidth, improve service quality and reduce administrative overhead. We therefore seek comment on whether we should adopt additional incentives or mechanisms to facilitate the use of consortium purchasing in the E-rate program. In particular, we are interested in ways that consortium purchasing can drive down prices and otherwise benefit applicants and the E-rate fund.*

CCSD Comments: Incentives are typically not necessary, as the opportunity to "join" onto another contract may yield benefits (i.e. streamlining the procurement process, lower cost, favorable pre-negotiated terms and conditions, etc.) to the "joining" agency. The latter is to say that school districts are already intrinsically motivated to examine consortia opportunities.

*181. We also seek comment on whether there are legal, geographic or other barriers preventing certain schools and libraries from taking advantage of consortium purchasing. Are there ways in which our rules prevent or discourage participation by applicants who might otherwise join a consortium? We invite commenters to identify specific amendments we can make to our rules to ensure that applicants can join or form consortia.*

CCSD Comments: Typically "no" on legal barriers, as the majority, if not all, state procurement statutes grant school districts the right to "join" onto another government agencies bid to fulfill their competitive bidding requirements for the procurement of goods and services.

It is most likely that geographical constraints for the construction of WAN make "joining" onto another non-local agency's contract non-viable due to a myriad of issues (i.e. differing site conditions, varying codes and regulations, differing requirements, etc.). However, joining onto another contract to procure material goods (i.e. switching equipment) is likely a viable option worthy of exploring.

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*183. We also seek comment on whether particular types of services lend themselves better to consortium purchasing. For example, we note that while schools and libraries might join consortia for broadband access, they might apply independently for internal connections. In particular, we seek comment on whether consortia are effective vehicles for driving down specific costs, such as equipment purchases or broadband access.*

CCSD Comments: For reasons noted above, consortium purchasing typically yields benefits relative to acquiring equipment; more so for smaller school districts and/or larger districts with smaller requirements. Consortia contracting for wireless broadband access in metropolitan areas would likely yield better pricing as infrastructures have already been constructed.

However, there is no guarantee that consortium contracts represent the best pricing and/or technical support requirements for each individual district. Each school district should be permitted the opportunity to decide if issuing its own bid/contract or joining onto another agency's contract represents its best interest.

*186. We seek comment on how best to encourage other types of bulk buying of E-rate supported services. Currently, consortia are one of many ways that E-rate applicants aggregate demand for E-rate supported services in order to reduce prices and procure necessary services. In some cases, E-rate applicants purchase from state master contracts, which offer prices, terms and conditions negotiated by a state on behalf of a wide range of public institutions within that state. In many places, state or regional research and education networks (R&E networks) are also available and offer bulk purchasing opportunities for applicants. In other cases, E-rate applicants may be able to take advantage of regional contracts managed by public, non-profit or private entities that also aggregate demand and manage the procurement process. Should applicants be required to purchase from these state master or regional contracts in which they may participate, unless they can receive the same services for a lower price? We seek comment on the benefits and burdens of these and any other methods that E-rate applicants currently use to aggregate demand for E-rate supported services and request that commenters provide data on how effective such approaches are for driving down prices and creating administrative efficiencies for E-rate applicants. We also invite applicants to identify and comment on other methods of bulk buying that exist outside the E-rate program and whether such methods could be successfully adapted to the E-rate program.*

CCSD Comments: School districts should be free to exercise their professional judgment in selecting the best method of procurement (i.e., issuance of their own bid, joining onto a consortia offering, etc.). It should be noted, that very few States, if any, permit school districts to join onto bids/contracts issued by non-profit or private entities to fulfill statutory competitive bidding requirements.

*187. We also seek comment on whether the Commission, working with USAC or some other entity, should create a formal bulk buying program for E-rate supported services. If so, are there*

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*specific products or services that such a program should cover? For example, are there certain products, like wireless routers, that are standard or common to school and library networks nationwide? Generally, how would such an initiative work within the structure of the current E-rate program? How would such a program appeal to applicants?*

CCSD Comments: If there is a formal bulk buying program, hardware should be covered (i.e., routers, network switches, etc. and possibly wireless broadband services).

So long as participation is voluntary, such a program would be well received. As in the case of consortia purchasing (as an option), each school district should be permitted to examine contracting options and make an informed decision if issuance of their own bid documents is in their best interest.

*195. Transparency of prices being bid for E-rate supported services. Our competitive bidding rules require applicants to publicly seek bids for E-rate supported services, but our rules do not require applicants or service providers to make the responses to those bids public. Should we consider making bid responses public or at least accessible to other E-rate applicants? Would it be advisable to release this information only after the applicant has selected a vendor for the requested services? Are there any state laws, court orders, or contracts expressly prohibiting such disclosure? If we do require public disclosure of bid responses, what is the best format and timing for making such responses public in order to maximize the usefulness of such information to other E-rate applicants? To what extent would publicizing such bids drive down prices, both with respect to specific applications and more generally? On the other hand, is there a risk that public bid responses inflate bid prices for E-rate supported services by, among other things, discouraging providers from bidding to provide E-rate supported services? Could such disclosure facilitate tacit collusion to restrict competition through coordinated pricing, market allocation or other approaches that would inflate the price or reduce the quality of E-rate supported services? We also seek comment on the degree to which state, local, and Tribal laws currently require the disclosure of bid responses for E-rate supported services, and whether service providers can and do limit any such public access.*

CCSD Comments: All States require that the results of formal bids (normally after publicly posting a recommendation) be made available to the public. Effectively this is a cornerstone of transparency to ensure the contracting activities are conducted in accordance with prevailing laws/regulations. As such there is no need for the USAC to conduct a redundant activity.

Many State's procurement laws have a caveat that prohibits disclosing any response information if the bid/request for proposal contains a provision that allows for negotiations. After the recommendation is made by the Procurement Department and prior to the Governing Body voting on the recommendation, the bid/RFP results are opened for public inspection. This supports full transparency while affording the contracting agency the latitude to conduct negotiations without bid pricing being exposed. However, as noted above, this activity should be performed by school districts as opposed to USAC.

Each State has its own disclosure requirements; and format, timing, and other specifics should

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be left to the discretion of each school district.

Common sense would dictate that publishing the results of various bids would drive down cost; however, this is an anecdotal opinion.

Additionally, the results of bids submitted to public agencies are public knowledge, and most firms view their competitors' bid prices to assist them in submitting future bids.

There have been very few, if any, documented cases of collusion/violation of anti-trust laws in the last 50 years. Bidders cannot afford the negative publicity nor the legal ramifications involved with engaging in tampering with the competitive bid process.

*196. Transparency of actual purchase prices. As an alternative to requiring public disclosure of all bids to provide E-rate services, we seek comment on making available the prices applicants are paying for E-rate supported services. We note that applicants currently provide that information to USAC. We seek comment on whether we should direct USAC to permit public access to FCC Form 471, Item 21 information or any other information provided by either applicants or service providers participating in the E-rate program. Are there any state laws, court orders, or contracts that would prohibit such public disclosure? Should we limit disclosure of pricing information to other E-rate applicants? We also seek comment on whether requiring public disclosure of the prices applicants actually pay for E-rate supported services create a more effective competitive marketplace for those services and products, or might service providers eschew participation to shield their prices from public view. Could such disclosure facilitate tacit price fixing, bid rigging or market allocation schemes, thus inflating the price of E-rate supported services? In the alternative, do commenters believe that publicly displaying prices may encourage more service providers to approach individual schools and libraries with lower prices and discourage participation in consortia or other aggregate buying groups? Might transparency of pricing also help ensure that providers are complying with the Commission's lowest corresponding price rule?*

CCSD Comments: The disclosure of bid results (minimally, post selection and prior to ratification by the governing body) is a statutory requirement. Permitting access likely would not yield negative consequences; however, it is doubtful that the average citizen has any interest in this information. As previously mentioned (and foregoing disclosing information on bids/RFPs that contain a negotiation provision prior to naming an awardee) State procurement laws mandate disclosure of bid pricing. Disclosure on pricing information should not be limited and/or restricted. This information needs to be provided as requested by the public.

This is a philosophical question that can only be answered with anecdotally based answers. Could such disclosures sway Bidders to commit violations of the anti-trust laws? Yes. Would this practice likely lead to tampered/fixed bid pricing? It is extremely doubtful that this would occur. The marketplace, in general, is extremely competitive. Add more, bid and contract pricing is benchmarked by entities on a continuous basis, and consortiums routinely post pricing information on their websites. The latter is to say, it is the absence of information that makes bid rigging more viable for nefarious firms to engage in this activity. Add more, many of

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the companies are publicly held; and they are accountable to shareholders, the SEC, and other government regulatory agencies. The downside (getting caught) represents more untenable risks, which far outweigh profits to be obtained from bid rigging.

Unless the services and/or equipment is exempted from competitive bidding requirements, school districts are mandated to either issue their own bids/RFPs or use a consortia based contract to comply with their respective state statutes when the annual expenditure exceeds a pre-determined threshold (typically 25K to 100K). As such, districts cannot fulfill their statutory procurement obligations by providers tendering informal offers. Add more, many consortia contracts contain a provision that compels the service provider to reduce its cost if it offers a lower cost for the same service to a similarly sized school district. CCSD believes this to be a non-issue; however, it is an anecdotal opinion.

The Federal Government should not subsidize/require “most favored nation (MFN)”/LCP pricing. This practice effectively penalizes large scale purchasers from obtaining volume discounts by leveling pricing across the entire gambit of school districts. When forced to comply with MFN/LCP provision, bidders have to factor in “worst case” scenarios /site conditions which are only common to a small portion of the entire base of school districts. Bidders should be afforded the right to gauge their profitability based upon the unique circumstances of each individual bid solicitation. Equally MFN/LCP pricing restrictions leads to gamesmanship on the part of suppliers as they will try to offer different value added incentives to the base pricing to entice larger school districts to use their consortia contract. The very latter effectively makes the concept a sham.

*202. To maximize the cost-effectiveness of purchases made using E-rate funds, we seek comment on the current competitive bidding process, and ask how the Commission can reduce the number of E-rate recipients that do not receive multiple bids, and whether the lowest corresponding price rule helps ensure that E-rate recipients receive cost-effective prices. While USAC does not collect comprehensive information about the quantity or quality of the bids received, there is anecdotal evidence that a substantial number of E-rate applications receive one or no viable competitive bids. We seek comment on whether the current competitive bidding process typically results in multiple competitive bids, and ask commenters to elaborate on the characteristics of recipients that do not ordinarily receive multiple bids. We also seek comment on whether the current competitive bidding process continues to address the needs of the schools and libraries program, or if a different application process would better suit applicants’ needs. We specifically request that commenters discuss how the current competitive bidding process and any proposed processes ensure that schools and libraries are selecting the most cost-effective services to meet their unique needs, that service providers are offering the lowest prices available, and that we continue to minimize waste, fraud, and abuse in the program.*

CCSD Comments: The FCC Form 470 posting requirements do not add value to the school districts’ bid process; rather these requirements have the opposite effect and hinder the process. The latter is to say that all school districts are compelled to comply with their

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respective statutory requirements to procure goods and services. The FCC Form 470 posting does not fulfill these statutory requirements; and, as such school districts have to take additional steps to post bid information on the Federal site. These requirements generate confusion for the bidders as they need to determine the proper method of submission.

A better solution would be to use the FCC Form 470 posting as an advertisement, which directs bidders back to the respective school district to obtain bid documents and instructions for responding to solicitations.

*206. Our rules require E-rate applicants to “conduct a fair and open competitive bidding process,” as spelled out in our rules. Our rules also require E-rate applicants to comply with state and local competitive bidding requirements. We seek comment on whether we should exempt certain applications or applicants from the E-rate competitive bidding rules on the basis that they are complying with state and local competitive bidding requirements. Commenters should identify the criteria they recommend using for selecting which applications or applicants should be exempt from our competitive bidding requirements, and how we can assure that such an exemption does not increase the opportunity for waste, fraud, and abuse, and, if so, what criteria should be used for any exemptions. If we adopt this exemption, should we limit it to purchases below some threshold? What should that threshold be? We seek guidance on providing USAC a practical, reliable, and minimally burdensome way to confirm that the applicants claiming such an exemption had actually complied with these procurement processes. We also seek comment on what USAC should consider as sufficient documentation of compliance with state or local procurement rules. Further, we seek comment on whether we might consider a de minimis exemption. For example, if an applicant’s total annual E-rate purchases fall below some minimal threshold, should that applicant be exempt from the competitive bidding requirements? What should that threshold be?*

CCSD Comments: It is strongly recommended to exempt all applications from the E-rate bid process and deferring to each State’s competitive bidding requirements. This would simplify and streamline the process, while providing accountability. Each State’s competitive bidding requirements were written to ensure that public/taxpayers monies are expended in a prudent manner, provide equal opportunity to bidders, and that the process supports transparency. USAC could randomly audit bid activities to provide an additional layer of accountability.

*207. Many states negotiate state master services agreements (State MSAs) for services eligible for E-rate support. Should we allow applicants to purchase off a State MSA without the applicant or the State MSA having gone through our competitive bidding process? What are the benefits and burdens of such an approach? If a State MSA offers purchasing options for the same or functionally equivalent products or services at different prices, should we require an applicant select the lowest price offering if it wants to select off the State MSA and be exempt from our competitive bidding rules? In the alternative, under such circumstances should we require applicants to follow currently required process and evaluate all the options on the State MSA using price as the primary factor in selecting a vendor? We note that some State MSAs do*

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*not contain specific prices for goods and services, under those circumstances we would not be inclined to provide E-rate support for goods and services purchased off a State MSA, and we seek comment on that issue.*

CCSD Comments: For a school district to utilize a State MSA, the agreement would need to have been secured through the formal competitive bidding process, unless the services and/or equipment are exempted from the State's competitive bidding requirements. Applicants should be allowed to purchase off a State MSA as long as it meets the school district's minimum requirements and pricing is competitive.

*209. Lowest Corresponding Price (LCP). We also seek comment on the extent to which the LCP rule helps ensure that service providers charge cost-effective prices. In section II.B.2, we sought comment on using the LCP rule to measure progress towards our proposed goal of ensuring applicants have affordable access to broadband. The LCP rule requires service providers to charge the lowest price that a service provider charges to non-residential customers that are similarly situated to a particular E-rate applicant for similar services. We specifically seek comment on the role of the lowest corresponding price rule for competitive bidding. If an applicant receives only one bid or no bid for services should the applicant be required to report that fact to USAC? If an applicant receives only one bid or no bids, should USAC automatically engage in additional review of the application to determine whether the service provider has offered the lowest corresponding price? Or, should USAC only do additional review under those circumstances if the price for the service at issue is flagged as higher than similar services? If USAC should conduct further pre-commitment review for compliance with the LCP rule, what is the least burdensome but effective method for determining whether the service provider is offering the LCP?*

CCSD Comments: If an applicant receives only one bid or no bid, they should be required to report that fact to USAC. The absence of multiple bid submissions is not a telltale sign the bid process was flawed. Conversely, if the same school district were to release multiple bids and only receive a single submission it could signal that the district's bid process is flawed. If the USAC were to receive multiple notifications from a particular district it could initiate an audit process to ensure that the school district's bid processes are being observed. USAC should not automatically engage in additional review. Presuming that the bid process was conducted in accordance with the prevailing procurement laws, it would not serve purpose for the USAC to review the application. If a school only receives a single bid there are options it can explore. Examples:

- A. Benchmark the prices offered to ensure that they are fair and reasonable – if no, the school district can cancel the bid and release a subsequent offering.
- B. If the prices are fair the district can accept the bid.
- C. The district could query the market place to determine why additional bids were not received. If the requirements were too stringent/exacting/unreasonable the district could cancel the original bid and re-release a subsequent offering with modified requirements.

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USAC should reserve the right to audit the bid process as part of the check and balances to ensure school districts are being good stewards of the public's monies.

*216. We seek comment on how our cost-effectiveness rules should apply to 'year contracts and to purchases of ongoing services. Should we encourage or require schools and libraries to take a long-term view of cost-effectiveness? How can we provide E-rate applicants assurance that significant investments which raise costs in the short term but significantly lower recurring costs will not run afoul of our rules, while continuing to protect against wasteful or inefficient purchases? We are particularly interested in this question as it relates to the deployment of new broadband connections to schools and libraries.*

CCSD Comments: While the duration of the bids/contracts should be left to each school district's discretion (as previously mentioned), CCSD finds that contracts with longer duration yields better pricing in addition to other benefits (i.e. standardization, more advantageous terms and conditions, etc.).

*217. We next seek comment on measures E-rate applicants should take in order to ensure they are carefully assessing their need for and readiness to use high-capacity broadband. Should we require schools and libraries seeking support for high-capacity broadband to undertake a formal review and assessment of their broadband needs – both to the premises and within the premises? Such an assessment could not only help applicants determine their broadband connectivity needs but also encourage efficient and cost-effective purchasing decisions. Should we condition receipt of E-rate funds on certain criteria for the broadband assessments and if so, what should those criteria be? For example, should we require schools to plan for providing a device to every student or for a device to a small group of students? Should we require schools and libraries to conduct professional development sufficient to ensure that their staffs have the knowledge and skills to take advantage of high-capacity broadband as well as the devices and applications? Should applicants be required to demonstrate that they have specific plans for using the bandwidth? Who is in the best position to evaluate and, if necessary, approve these assessments, and help schools close any gaps? What should be the consequences be if an applicant conducts inadequate needs assessment and planning, and what resources could be made available to help them improve?*

CCSD Comments: The added burden of a formal review and assessment is of concern. This will require expensive consultants, which diverts funds from meeting the bandwidth goals.

*229. SECA suggests that all of an applicant's forms and correspondence with USAC should be available from a centralized portal so the applicant can retrieve current and prior years' information to use as a starting point for new form submissions. SECA states that online functionality will conserve on data entry and problem resolution resources that USAC currently must utilize as well as customer service bureau inquiries. Facilitating access to previous applications will also make it easier for applicants to file forms that are similar to*

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*those of previous years and eliminate the duplicative requests for information during PIA review since all the requested information would be available online and available for review. We seek comment on SECA's proposal and any alternative ways to simplify the submission and receipt of FCC forms and other correspondence to USAC. Another way to increase E-rate program efficiencies is automate more of the processes for the program. In addition to requiring online filing, we seek comment on whether there are administrative processes in the program that could be automated and would also result in cost savings and efficiencies. What could be gained by increasing the amount of automated processes at USAC and how could this be best achieved? For example, would increased automation in the application process result in quicker commitment decisions? What aspects of this process lend themselves to automation? What are the ways that increased automation can lead to efficiencies and cost savings? What are the ways automation could reduce or eliminate improper payments? Commenters should be as specific as possible in their proposals.*

CCSD Comments: Currently, districts must file one of the paper forms, then USAC will create and mail a PIN# in a secure mailer to the authorized person on that form. CCSD is recommending the implementation of an online PIN # request with secure access for a more user-friendly experience.

*235. In addition, we seek comment on ways to expedite the application review process. Are there ways in which USAC can streamline the PIA review process so that applicants are not asked duplicative questions or asked for the same documentation for different applications or funding requests where previous responses or documentation are applicable? Commenters should provide specific examples of the problems they encounter during the application review process, including identifying specific duplicative requests made in the routine review process.*

CCSD Comments: It is recommended that during the PIA review process, any questions or data collections be very specific so that all inquiries are answered in a timely manner from the initial request.

*241. First, we propose that, absent a change in the contract, service provider or recipients of service, we allow E-rate applicants with multi-year contracts that are no more than three years in length (including any voluntary extensions) to file a single FCC Form 471 application for the funding year in which the contract commences and go through the full review process just one time for each such multi-year contracts. We seek comment on this proposal, and on what additional steps E-rate applicants should have to take in the second and third year of such contracts to confirm their request for E-rate support for the subsequent years. We specifically seek comment on the following proposed rule language:*

*Multi-year contracts. An eligible school, library or consortium that includes an eligible school or library seeking to receive discounts under this subpart may submit to USAC a single FCC Form 471 covering all the years of a multi-year contract, provided that the term of the contract including extensions, does not exceed three years. An FCC Form 471 covering a multi-year*

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*contract must be submitted to USAC before the start of the first funding year covered by the multi-year contract.*

CCSD Comments: As stated herein, multi-year contracts yield many benefits (i.e. better pricing, more favorable terms and conditions, standardization) for a myriad of reasons. While the extension to three years is a very positive step, considering longer durations (predicated on the type of service/equipment) is merited. Additionally, applicants should create an acknowledgement letter to confirm service requests for the second and third year extension instead of filing the FCC Form 471.

*245. Should we exempt certain services, such as IRUs for dark fiber, from any limits on multi-year contracts? What are the typical terms for enterprise connectivity contracts in commercial markets? Could applicants eliminate the need for long-term contracts associated with new fiber builds by seeking a non-binding renewal option, at a predetermined rate, in contracts? Do such terms exist in contracts for enterprise connectivity for purchasers other than schools and libraries? Do similar issues generally exist for connections to schools and libraries using technologies other than fiber, such as fixed wireless?*

CCSD Comments: Dark fiber and other contracts should be exempted from multi-year prohibitions. The service provider, in many instances, has to spend millions of dollars constructing the infrastructure, and this cost has to be amortized over the course of several years to make the service affordable. It is recommended that bids/RFPs be developed that provide options predicated on varying yearly increments (i.e. 3, 5, 7, 10, 15, etc. years). The school district can then make an informed decision predicated on the cost and their respective budget.

Equally most equipment bids/RFPs should be structured with multi-year options; however, the duration should be capped to a maximum of ten years. Offering multi-year agreements will entice bidders to submit lower costs. Additionally, school districts require standardization of equipment to efficiently maintain and update software/hardware upgrades.

*272. Background. CIPA prohibits schools and libraries from receiving E-rate funding for Internet access services, or internal connections, unless they comply with, and certify their compliance with, specific Internet safety requirements, including the operation of a technology protection measure. Schools, but not libraries, must also provide education about appropriate online behavior including cyber-bullying. When CIPA was enacted, most school and library computers that provided Internet access were found at large, stationary terminals. Few, if any, students or staff brought computers to school, and, likewise, library patrons did not bring their own Internet-enabled devices into libraries. Moreover, even if people had brought their own computers into schools and libraries, almost no schools or libraries had Wi-Fi hotspots or other ways to allow outside computers to access their Internet connection. Now, it is commonplace for students and employees of, and visitors to, schools and libraries to carry Internet-enabled devices onto the premises and for schools and libraries to allow third-party devices access to*

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*their networks. Additionally, more and more school- and library-provided devices are brought off-campus to connect with other networks.*

CCSD Comments: The CCSD has a policy requiring devices connected to the District's network to comply with CIPA.

*295. We propose to extend the E-rate program document retention requirements from five to at least ten years. We seek comments on the benefits and burdens of doing so. Access to relevant documents is crucial to conducting effective audits of E-rate applicants and service providers, and otherwise investigating compliance with the requirements of the E-rate program. Our rules currently require schools and libraries to retain all documents related to the application, receipt, and delivery of eligible services received under the E-rate program for at least five years after the last day of the delivery of services. Schools and libraries must also retain all other documentation that demonstrates compliance with the statutory or regulatory requirements for the E-rate program as well as all asset and inventory records of equipment purchased as components of supported internal connections services sufficient to verify the actual location of such equipment for a period of five years after purchase. Service providers are also required to retain documents related to the delivery of eligible services for at least five years after the last day of service delivery and all other documentation that demonstrates compliance with the statutory or regulatory requirements for the E-rate program.*

CCSD Comments: It is recommended that the document retention requirements not be extended. Increasing the requirement would create an unnecessary burden on school districts.

*298. As discussed above, E-rate applicants are currently required to retain documentation that demonstrates compliance with the statutory or regulatory requirements for the E-rate program as well as all asset and inventory records of equipment purchased as components of supported internal connections services sufficient to verify the actual location of such equipment for a period of five years after purchase. In the Healthcare Connect Fund Order the Commission required applicants to the HealthCare Connect Fund to submit to USAC competitive bidding documents, including a copy of each bid received, the bid evaluation criteria, bid sheets, a list of people who evaluated bids, memos, board minutes, or similar documents, and any correspondence with vendors during the bidding, evaluation, and award phase of the process. Having such documents from E-rate recipients would allow USAC to evaluate more fully the competitive bidding process conducted by E-rate applicants and ensure that documentation of the competitive bidding process was retained in the event of an audit. At the same time, providing such documents would impose additional burdens on E-rate applicants and could increase application review time and administrative costs. We therefore seek comment on whether we should similarly require E-rate applicants to submit competitive bidding documents with their FCC Forms 471. Are there specific documents, such as the bid selection sheet, that would allow USAC to review an applicant's competitive bidding process while minimizing the burden on applicants?*

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CCSD Comments: Bidding documents should not be submitted to the USAC except for auditing purposes after the contract has been awarded/approved by the school district's governing body. Many States have pre-disclosure laws, which make it illegal to disclose the bid submission information until the school district has selected the awardee. Through auditing the USAC can obtain bid responses and related documents from school districts, thus preserving the integrity of the competitive bid process.

*310. State and Local Law Compliance by Service Providers. There are state and local procurement laws that protect against waste, fraud, and abuse. Currently, our rules require applicants to comply with state and local competitive bidding requirements, but do not impose any such duty on service providers. State and local procurement requirements protect against waste, fraud and abuse. Therefore, we propose to amend section 54.503 and 54.504 to require service providers to comply with state and local procurement laws, and to require service providers to certify compliance with that requirement. Specifically, we seek comment on the following proposed rule changes to section 54.503(b) of our rules:*

*(b) Competitive Bid Requirements.*

*(1) Except as provided in § 54.511(c), an eligible school, school districts, library, or consortium that includes an eligible school or library shall seek competitive bids, pursuant to the requirements established in this subpart, for all services eligible for support under § 54.502. These competitive bid requirements apply in addition to state and local competitive bid requirements and are not intended to preempt such state or local requirements.*

*(2) Service providers must certify that they are in compliance with state and local procurement laws.*

CCSD Comments: While conceptually this lends the appearance of adding protection, it is merely a redundant and unnecessary action that is not enforceable by the Federal Government. Each school district's bid documents require the bidders, either through a separate attestation form, or by a "submission a bid provision" to agree with the terms and conditions contained within the solicitation documents. To the latter, school districts' solicitation documents compel bidders/awardees, to comply with all state, local, Federal codes, ordinances, regulations, etc. Should a bidder, an awardee, fail to comply with these conditions the aggrieved school district would pursue a remedy either via negotiations, mediation/arbitration or through its local/regional judicial system.

*323. We also seek comment on what other conditions we should impose on allowing community access to schools' E-rate supported services via community hot spots. Our rules allowing for community use in schools limits that use to non-school hours. Should we impose the same limitation here? Is there a justification for such a limitation in this case where wireless service will be accessible at all hours and, unlike the community use implemented in the Schools and Libraries Sixth Report and Order, does not require use of the applicant's physical property? Are there reasons to preclude access to the wireless service during school hours? Would permitting*

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*such wireless access to the community during school hours be detrimental to the operations of the school? For example, could testing or other school operations reliant on broadband be negatively affected by community access during school hours? If so, are there any measures applicants could take to reduce the impact of the community access on the applicant? Next, should we impose any geographic limitations on the scope of offsite Internet access? What restrictions, if any, should be placed on service providers in the communities that donate equipment, services or funding to help with the creation or expansion of the Internet access points to ensure no violations of the Commission's gift rules occur? We also seek comment on the adequacy of security measures that would be needed to guard against network security breaches. What other issues are raised by this idea?*

CCSD Comments: Increased costs out of an already small pool of funds, is a concern. Allowing the community to use E-rate funded services at times when they are not used by the students and staff at the school seems reasonable and does not impose increased costs; however, should be at the option of the district.

*327. We also recognize that schools and libraries affected by a Major Disaster or Emergency may need time to repair or rebuild buildings and to restore telecommunications and Internet access services and that, in the event of evacuation, schools not directly affected by the Major Disaster or Emergency may need additional funding to support the needs of displaced students and citizens. We therefore seek comment on allowing USAC to initiate a special filing window upon the declaration of a Major Disaster or Emergency for sixty days to allow applicants directly and indirectly affected to apply for E-rate eligible services and products. When there is a Major Disaster or Emergency, we also propose to exempt affected applicants from the FCC Form 470 filing requirement and the 28-day waiting period so long as such applicants comply with state and local bidding requirements. We propose to allow affected applicants to "restart the clock" for the purposes of calculating compliance with the "two-in-five" rule for priority two services and excusing them from the requirement that substituted services or products have the same functionality as the services they are replacing.*

CCSD Comments: Agreed. Suggest compliance with each States procurement statutes as opposed to complying with bidding requirements. Attending to situations that endanger public safety health and/or welfare do not require the issuance of formal bids/RFPs.